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Relocating from the Distress of Chicago Public Housing to the Difficulties of the Private Market: How the Move Threatens to Push Families Away From Opportunity

Molly Thompson^{a1}

The rapid public housing transformation in Chicago subjects many vulnerable families to the demands of the private housing market. Too often former public housing residents are not prepared to face the private market and the private market is not ready and willing to accept them. Under the Chicago Housing Authority's (CHA) Plan for Transformation, thousands of former public housing residents are using Housing Choice Vouchers¹ to transition to private housing.² The barriers of the housing market, in conjunction with inadequate support and relocation assistance from the CHA, confine many of these voucher users to high-poverty segregated neighborhoods.³ Living in a distressed neighborhood without enough supportive services makes the CHA's promises of enhanced choice and greater opportunity outside of public housing illusory. By demolishing distressed public housing, the CHA is encouraging opportunity through redevelopment of public housing sites, relocation of residents, and a goal of poverty deconcentration. Yet, by facilitating moves into high-poverty neighborhoods and not preparing residents with adequate support, the Plan for Transformation may not be moving many public housing residents any closer to greater opportunity.

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¹ Housing Choice Vouchers, formerly known as Section 8 vouchers, are rental subsidies paid to private market landlords by the public housing authority. The tenant pays the difference between the actual rent and the amount subsidized by the voucher. 42 U.S.C. § 1437f (2006).

² Curtis Lawrence, *People on the Move*, CHI. SUN TIMES, June 24, 2004, at 16.

³ Susan J. Popkin & Mary K. Cunningham, *Beyond the Projects: Lessons from Public Housing Transformation in Chicago*, in THE GEOGRAPHY OF OPPORTUNITY: RACE AND HOUSING CHOICE IN METROPOLITAN AMERICA 176, 187 (Xavier de Souza Briggs ed., 2005) [hereinafter *Beyond the Projects*].

Part One of this Comment will describe Chicago's public housing history, including voucher programs that preceded the Plan for Transformation. Part Two will give background on the overarching federal HOPE VI program, which guides the Plan for Transformation in Chicago. Part Three will focus on the Plan for Transformation and its progress.

In Part Four, the discussion will narrow to voucher users under the Plan for Transformation. This part will detail the barriers and problems that former public housing residents face while seeking housing in the private market.

Part Five will compare vouchers under the Plan for Transformation with a mobility program that had many favorable outcomes, the Gautreaux Program, and attempt to explain why outcomes under the Plan for Transformation have not been as favorable as many of the Gautreaux outcomes. Part Six will examine how the CHA fails to properly address the obstacles of the private market with services that would better prepare its residents for their relocation. Part Seven will suggest reforms that could address the current distressed situations of many voucher users in Chicago and ensure that better opportunity remains a realistic promise for residents moving out of public housing.

I. Public Housing in Chicago

From 1955 to 1965, the CHA built approximately 10,000 public housing units.⁴ Most of these units were concentrated in housing developments made up of mid-rise and high-rise towers clustered along corridors running south and west from Chicago's Loop.⁵ These towers included the Robert Taylor Homes on the South Side with 4415 units and the Henry Horner Homes with

⁴ Larry Bennet, *Restructuring the Neighborhood: Public Housing Redevelopment and Neighborhood Dynamics in Chicago*, 72 J. AFFORDABLE HOUSING & COMMUNITY DEV. L. 54, 54-55 (2000).

⁵ *Id.*

1656 units on the Near West Side.⁶ This proliferation of public housing coincided with the movement of hundreds of thousands of white residents to the suburbs and outlying city neighborhoods.⁷ Chicago city aldermen fought racial transition in their predominantly white neighborhoods by exercising veto power over proposals to build public housing in their wards.⁸ Consequently, the CHA built the towers in the south, west, and near north sides of the city where minority populations were already rapidly increasing.⁹

A. The Gautreaux Program

The deliberate racial clustering of public housing in Chicago gave rise to lawsuits against the CHA and the Department of Housing and Urban Development (HUD).¹⁰ In 1976, the Supreme Court held that HUD could be required to remedy the segregation in Chicago public housing on a metropolitan-wide scope.¹¹ This decision came two years after the enactment of the federal Section 8 Assisted Housing Program, which provided rental subsidies for use in the

⁶ LEONARD S. RUBINOWITZ & JAMES E. ROSENBAUM, *CROSSING THE CLASS AND COLOR LINES: FROM PUBLIC HOUSING TO WHITE SUBURBIA* 21 (2000).

⁷ Bennet, *supra* note 4, at 55-56.

⁸ *Id.*

⁹ *Id.*

¹⁰ The 1969 decision in *Gautreaux v. CHA* found that the CHA had violated the Fourteenth Amendment equal protection clause by intentionally discriminating in its site selection and tenant assignment in order to maintain racial segregation in the city. *Gautreaux v. Chi. Hous. Auth.*, 296 F. Supp. 907, 915 (N.D. Ill. 1969). The court ordered the CHA and the Gautreaux plaintiffs to work together to devise a plan that would stop future discrimination practices and remedy past effects of the CHA's site selection and tenant assignment system. *Id.* at 914. The plan that the court adopted required new public housing construction to be scattered site with a match of three new units to be built in a predominantly white area for every one built in a predominantly African-American area. This ratio was changed to one-for-one in 1980. *Gautreaux v. Landrieu*, 498 F. Supp. 1072, 1073 (N.D. Ill. 1997).

¹¹ *Hills v. Gautreaux*, 425 U.S. 284, 306 (1976).

private market.¹² In 1981, the metropolitan-wide approach, which utilized Section 8 vouchers and was known as the Gautreaux Assisted Housing Program (Gautreaux Program), was institutionalized through a consent decree.¹³ The consent decree required that at least 75% of the families relocate to the suburbs of Chicago through the use of rent subsidies.¹⁴ The Leadership Council, a nonprofit fair housing agency, performed the administrative functions of the Gautreaux Program.¹⁵ It assisted and counseled the participants who were moving and located landlords who would be willing to rent to them.¹⁶

The Gautreaux Program ended in 1998 after relocating approximately 7100 families.¹⁷ Researchers found that the Gautreaux Program fostered many success stories among the families who relocated to the suburbs.¹⁸ Compared with public housing residents who relocated to other predominantly African-American neighborhoods in the city, the suburban movers showed significant improvement in safety, employment outcomes for heads of the households, and educational outcomes for children.¹⁹

B. The Moving to Opportunity Program

¹² Kale Williams, National Housing Institute, *Neighborhood Choice: A Way Out for the Poor*, <http://www.nhi.org/online/issues/79/neighcho.html> (last visited June 16, 2006).

¹³ RUBINOWITZ & ROSENBAUM, *supra* note 6, at 39.

¹⁴ *Id.* at 40.

¹⁵ *See id.* at 50-53.

¹⁶ *Id.* at 42.

¹⁷ *Id.* at 39.

¹⁸ *See generally id.* at 73-172.

¹⁹ *Id.*

The Gautreaux program laid the foundation for the Moving to Opportunity Program. Congress authorized the Moving to Opportunity for Fair Housing Demonstration (MTO) in 1993.²⁰ The experiment was designed to find out whether moving to low-poverty suburban neighborhoods noticeably improved the lives of low-income public housing residents.²¹ The program was implemented in Baltimore, Boston, Chicago, Los Angeles, and New York.²² Eligible volunteer public and assisted housing families were randomly assigned to one of three groups:

1. The MTO treatment group, which received Section 8 vouchers usable only in areas where 10% or less of residents lived below the poverty level. These families also received counseling in finding private rental units.
2. A Section 8 comparison group, which received regular Section 8 vouchers with no geographic restrictions or counseling.
3. A control group, which continued to receive its current project-based assistance^{23, 24}.

An evaluation of MTO data in Chicago revealed that overall, MTO families reported higher levels of housing quality than did the other Section 8 families.²⁵ In addition, as compared

²⁰ John Goering, *Expanding Housing Choice and Integrating Neighborhoods*, in *THE GEOGRAPHY OF OPPORTUNITY: RACE AND HOUSING CHOICE IN METROPOLITAN AMERICA* 127, 128 (Xavier de Souza Briggs ed., 2005).

²¹ John Goering, Judith D. Feins & Todd M. Richardson, *Chapter 1: What Have We Learned about Housing Mobility and Poverty Deconcentration?*, in *CHOOSING A BETTER LIFE? EVALUATING THE MOVING TO OPPORTUNITY SOCIAL EXPERIMENT 3* (John Goering & Judith D. Feins eds., 2003).

²² *Id.* at 10.

²³ Subsidy program that ties rental assistance directly to a specific housing project or unit.

²⁴ *Id.* at 7.

to other Section 8 families, the Chicago MTO families moved to neighborhoods that had “higher overall economic status, more racially and ethnically diverse populations, and more opportunities for socioeconomic advancement.”²⁶ Researchers have suggested that these differences may be attributed to 1) the program’s requirement that the MTO families relocate to low poverty neighborhoods, and 2) the housing counseling and search assistance received by MTO families.²⁷ From the above findings, these researchers have concluded that supportive services are an integral part of housing mobility programs.²⁸

II. HOPE VI

Congress created the HOPE VI program to counter the growing number of severely distressed public housing projects.²⁹ The program was a response to recommendations by the National Commission on Severely Distressed Public Housing, which found that 100,000 units of public housing nationwide were deteriorating and could not be revitalized through other programs.³⁰ The deplorable living conditions fostered dangerous and destructive communities.³¹ The developments were not only in distressed physical condition, but they also

²⁵ Emily Rosenbaum, Laura Harris & Nancy A. Denton, *Chapter 10: New Places, New Faces, An Analysis of Neighborhoods and Social Ties among MTO Movers in Chicago*, in CHOOSING A BETTER LIFE? EVALUATING THE MOVING TO OPPORTUNITY SOCIAL EXPERIMENT 275, 301 (John Goering & Judith D. Feins eds., 2003).

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.* at 302.

²⁹ U.S. Dep’t of Hous. & Urban Dev., About HOPE VI, <http://www.hud.gov/offices/pih/programs/ph/hope6/about> (last visited Nov. 4, 2005) [hereinafter About HOPE VI].

³⁰ *Id.*; U.S. DEP’T OF HOUS. & URBAN DEV., GLOSSARY OF HOPE VI TERMS 13-14 (2001), <http://www.hud.gov/offices/pih/programs/ph/hope6/pubs/glossary.pdf>.

³¹ SUSAN J. POPKIN ET AL., URBAN INSTITUTE, A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 7 (2004) [hereinafter A DECADE OF HOPE VI].

housed distressed populations – extremely impoverished residents who had high rates of unemployment and public assistance receipt.³²

In addition to funding physical revitalization, HOPE VI supports the establishment of “positive incentives for resident self-sufficiency” and “comprehensive services that empower residents.”³³ The report on the 1992 Senate bill that initiated HOPE VI lists three main goals for the program: 1) Shelter – to eliminate dilapidated, and often dangerous, structures “that serve as homes for hundreds of thousands of Americans”; 2) Self-sufficiency – “to provide residents in these areas with the opportunity to learn and acquire the skills needed to achieve self-sufficiency”; and 3) Community sweat equity – “to instill in these Americans the belief that with economic self-sufficiency comes an obligation to self-responsibility and giving back to one’s community.”³⁴

With these goals in mind, Congress intended to improve public housing residents’ lives through the deconcentration of poverty.³⁵ HOPE VI utilizes “two complementary strategies” to deconcentrate poverty: (1) helping residents relocate to better neighborhoods with vouchers and (2) creating “healthier, mixed-income communities in place of the distressed public housing developments.”³⁶ HOPE VI implements these strategies by “enlisting a wide range of

³² *Id.* at 7-8 (quoting National Commission on Severely Distressed Housing, Final Report to Congress and the Secretary of Housing and Urban Development (1992)).

³³ About HOPE VI, *supra* note 29; A DECADE OF HOPE VI, *supra* note 31, at 9.

³⁴ U.S. DEP’T OF HOUS. & URBAN DEV., HOPE VI: COMMUNITY BUILDING MAKES A DIFFERENCE V (2000), www.huduser.org/publications/pdf/hope_vi.pdf (quoting S. REP. NO. 102-355, at 40 (1992)).

³⁵ A DECADE OF HOPE VI, *supra* note 31, at 14.

³⁶ *Id.*

stakeholders . . . in partnerships that marry public goals, private-sector energy and funding, and the dormant hopes of community residents.”³⁷

HUD proposes that the effectiveness of HOPE VI may be judged more by its ability to help low-income households “improve the quality of their lives and move toward self-sufficiency,” than by the physical housing changes that it creates.³⁸

Research on HOPE VI sites across the country suggests that residents who relocated with vouchers may have ended up in at least somewhat better neighborhoods.³⁹ Researchers found that, nationally, the average poverty rate for the census tracts of former public housing residents who received HOPE VI vouchers dropped from 61% before relocation to 27% after.⁴⁰ Approximately 40% of HOPE VI voucher users were living in high-poverty tracts (greater than 30% poor); 13% had moved to truly low-poverty tracts (less than 10% poor).⁴¹

III. HOPE VI in Chicago: The Plan for Transformation

³⁷ U.S. DEP’T OF HOUS. & URBAN DEV., HOPE VI: BUILDING COMMUNITIES, TRANSFORMING LIVES 5 (1999), <http://www.huduser.org/Publications/pdf/hope.pdf> [hereinafter HOPE VI: BUILDING COMMUNITIES].

³⁸ U.S. DEP’T OF HOUS. & URBAN DEV., COMMUNITY AND SUPPORTIVE SERVICES FOR ORIGINAL RESIDENTS, GENERAL GUIDANCE FOR THE HOPE VI PROGRAM (draft) 1-2 (2000), <http://www.hud.gov/offices/pih/programs/ph/hope6/css/cssguidance2-18-00c.pdf>.

³⁹ An estimated 63,000 to 70,000 housing vouchers were allocated between 1995 and 2003 for residents displaced from demolished housing units. A DECADE OF HOPE VI, *supra* note 31, at 21. A small percentage of original residents returned to the mixed-income developments at the revitalized sites, but this does not reflect the number of residents who will ultimately return because many of the HOPE VI sites remain unfinished. *Id.* As of 2003, 94,600 units either have been demolished or are slated for demolition through HOPE VI grants nationally. *Id.* at 178. Only about two-thirds of these units were occupied at the time of the grant. *Id.* Plans call for the construction of 95,100 replacement units, of which 48,800 will be subsidized for very low-income families. *Id.* The remaining units will be for families receiving shallower subsidies or no subsidies at all. *Id.*

⁴⁰ See *Beyond the Projects*, *supra* note 3, at 179 (citing an Urban Institute study that looked at HOPE VI sites in forty-eight cities).

⁴¹ *Id.*

In 2000, HUD approved the CHA's Plan for Transformation.⁴² The HOPE VI-sponsored plan calls for 25,000 housing units to be re-built or rehabilitated by 2009.⁴³ The 25,000 units represent the number of leaseholders in Chicago public housing at the time the plan was implemented.⁴⁴ The plan calls for the demolition of fifty-one gallery high-rise buildings and several thousand mid-rise and low-rise units.⁴⁵ Six thousand one hundred units are scheduled to be redeveloped as mixed-income units; 9500 units are reserved for senior citizens and will be rehabilitated; and the remaining 9400 units will either be rebuilt as mixed-income developments or rehabilitated.⁴⁶ In addition to residents who use vouchers to move into the private market permanently, many displaced residents use vouchers to obtain private market housing while they await completion of the revitalization projects.⁴⁷

The year of 2005 was the first in which families had the opportunity to return to the mixed-income developments that replaced their original housing.⁴⁸ These mixed-income developments generally consist of one-third public housing, one-third affordable housing, and one-third market rate homes.⁴⁹ Roughly 75% of displaced CHA families have expressed a

⁴² CHICAGO HOUS. AUTH., THE CHA'S PLAN FOR TRANSFORMATION, http://www.thecha.org/transformplan/plan_summary.html (last visited Nov. 4, 2005) [hereinafter PLAN FOR TRANSFORMATION].

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ SUSAN J. POPKIN & MARY K. CUNNINGHAM, URBAN INSTITUTE, CHA RELOCATION COUNSELING ASSESSMENT i (2002), <http://www.urban.org/UploadedPDF/CHArelocation.pdf>.

⁴⁶ *Id.*

⁴⁷ *See* Chi. Hous. Auth., Relocation Overview, <http://www.thecha.org/partners/relocation/overview.html> (last visited Feb. 12, 2006).

⁴⁸ SUDHIR VENKATESH & ISIL CELIMLI, SHELTERFORCE ONLINE, TEARING DOWN THE COMMUNITY 2 (2004), <http://www.nhi.org/online/issues/138/chicago.html>.

⁴⁹ *See* Plan for Transformation, *supra* note 42.

desire to return to their original neighborhoods.⁵⁰ The Relocation Rights Contract that was negotiated between the CHA and resident leadership offers the “right to return” for lease-compliant families only; it does not guarantee that all families will be able to return.⁵¹

Researchers predict that fewer than 20% of Chicago families will be able to return because of the relatively low number of available units and the restrictive eligibility criteria.⁵² This prediction is consistent with an early HOPE VI Tracking Study of eight HOPE VI sites across the country. The study found that 19% of households relocated under HOPE VI were living in revitalized mixed-income developments, 29% were living in other public housing properties, 33% were using housing vouchers in the private market, and 18% had left assisted housing altogether.⁵³

Researchers at the Urban Institute claim that return rates do not give a complete picture of how original residents have fared.⁵⁴ Delays between displacement and the completion of the original site may lead residents to choose to stay in their new neighborhood in the private market rather than move again.⁵⁵ Residents may also decide that they prefer their private market housing and better neighborhood.⁵⁶

⁵⁰ VENKATESH & CELIMLI, *supra* note 48, at 2.

⁵¹ *Id.*; CHI. HOUS. AUTH., THE RELOCATION RIGHTS CONTRACT FOR RESIDENTS WHO LIVED IN CHA ON 10/1/99 (2001), www.thecha.org/relocation/files/rights_for_moving_out_10-1-99.pdf.

⁵² VENKATESH & CELIMLI, *supra* note 48, at 2.

⁵³ LARRY BURON ET AL., URBAN INSTITUTE, THE HOPE VI RESIDENT TRACKING STUDY: EXECUTIVE SUMMARY ii (2002), http://www.urban.org/UploadedPDF/410591_HOPEVI_ResTrack.pdf.

⁵⁴ A DECADE OF HOPE VI, *supra* note 31, at 29.

⁵⁵ *Id.*

⁵⁶ *Id.*

The Relocation Rights Contract⁵⁷ allows the CHA and private developers of the mixed-income units to require families to meet screening criteria before returning to the original site.⁵⁸ As part of the screening process, the property managers may review credit histories, rental histories, and criminal backgrounds.⁵⁹ Applicants must work at least thirty hours a week and demonstrate an ability to provide adequate childcare.⁶⁰ As of December 2004, CHA officials said about 60% of families were meeting these criteria.⁶¹ This figure includes residents who are exempt from the criteria, such as the disabled and the elderly.⁶²

Vouchers under the Plan for Transformation

In regards to neighborhood poverty, the CHA families that were able to move with vouchers ended up in improved living environments.⁶³ A survey found that the average reduction in neighborhood poverty for residents who moved with vouchers was forty-two percentage points.⁶⁴ Nevertheless, this improvement is unsurprising given that nine of the

⁵⁷ In addition to screening criteria, the Relocation Rights Contract provides that supportive services, relocation assistance, and mobility counseling will be available to relocating residents. RELOCATION RIGHTS CONTRACT, *supra* note 51.

⁵⁸ VENKATESH & CELIMLI, *supra* note 48, at 2.

⁵⁹ NATIONAL CENTER ON POVERTY LAW, STRINGENT SCREENING CRITERIA MAY BLOCK ABLA RESIDENTS' RETURN (2004), http://www.povertylaw.org/advocacy/iwn/index.cfm?action=show_article&id=1114.

⁶⁰ *Id.*

⁶¹ Kate N. Grossman, *First Report on CHA "Move in" Efforts Offers Few Details*, CHI. SUN TIMES, July 22, 2005, at 24.

⁶² *Id.* Even though a relatively low percentage of displaced CHA residents have returned to their original location, researchers found that 54 percent of relocatees visit their old neighborhood at least once a week. The researchers attribute this in part to nostalgia, but to a greater extent to social supports such as churches, shopkeepers, teachers, and hospital staff. *Id.*

⁶³ *Beyond the Projects*, *supra* note 3, at 187.

⁶⁴ *Id.* The panel survey covered a sample of approximately 190 CHA residents who had selected Section 8 vouchers as their first option for relocation in September 1999. The baseline survey was administered in spring 2000, and there were two surveys in sixth-month intervals thereafter. At the first six-month follow-up only 23% had moved

poorest census tracts in the country were in CHA housing.⁶⁵ More than 55% of the movers are living in neighborhoods with poverty rates greater than 40% (high-poverty areas).⁶⁶ Often, the only choice that Housing Choice Voucher families have is among high-poverty neighborhoods. The sections that follow will detail the obstacles that voucher users face in the private market and explain how these obstacles are restricting voucher users to high-poverty areas⁶⁷ that are low in stability and opportunity.

IV. Plan for Transformation Voucher Users and the Problems They Face in the Private

Market

Since the mid-1970s, tenant-based assistance through vouchers has become increasingly more prevalent than assistance based on the provision of public housing units.⁶⁸ Tenant-based assistance has the potential to disperse tenants from concentrated poverty neighborhoods to neighborhoods with working and middle-class role models and greater opportunity.⁶⁹ Most of the families being relocated from public housing in HOPE VI sites across the country are headed

out of the public housing and into a private market unit. After twelve months, 38% had moved to the private market and the rest remained in either the same unit in public housing or in a consolidation building. *Id.* at 184, 186.

⁶⁵ *Id.* at 187.

⁶⁶ *Id.*

⁶⁷ Throughout this discussion, the potential benefits of mobility programs must not be disregarded. The Plan for Transformation grows out of a significant history of mobility programs in Chicago. The many positive outcomes created by these programs are a testament to the opportunity that can come from moving into a better neighborhood.

⁶⁸ Rolf Pendall, *Why Voucher and Certificate Users Live in Distressed Neighborhoods*, 11 HOUSING POL'Y DEBATE 881, 881 (2000).

⁶⁹ Susan Popkin et al., *The Gautreaux Legacy: What Might Mixed-Income and Dispersal Strategies Mean for the Poorest Public Housing Tenants?*, 11 HOUSING POL'Y DEBATE 911, 913 (2000) [hereinafter *The Gautreaux Legacy*].

by extremely poor single women who lack formal education and marketable skills.⁷⁰ Many of the households have several children.⁷¹ Additionally, a relatively high number of these public housing residents nationally have problems such as mental illness, substance abuse, and domestic abuse.⁷² Under the Plan for Transformation, these residents, representing some of the neediest households in public housing, must meet the demands of the private market.

With strict screening for admission to new public housing units in mixed-income public developments, a delay in rebuilding of original sites, and the hope of finding opportunity in better neighborhoods, it is clear why many residents turn to using vouchers in the private rental market. Yet, in many ways the CHA fails to address the specific circumstances of the residents that are moving and the private market barriers that the residents are facing.

A. Unwilling Landlords

Because of unwilling landlords, voucher holders are denied access to approximately 70% of the market rate units that are supposedly available to them.⁷³ A Chicago fair housing ordinance protects voucher holders from source-of-income discrimination,⁷⁴ but anonymous

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *Id.*

⁷³ THOMAS P. SULLIVAN, INDEPENDENT MONITOR'S REPORT TO THE CHICAGO HOUSING AUTHORITY AND THE CENTRAL ADVISORY COUNCIL REGARDING PHASE III-2003 OF THE PLAN FOR TRANSFORMATION 54 (Feb 20, 2004) (on file with author) (quoting LAWYERS' COMMITTEE FOR BETTER HOUSING, INC., LOCKED OUT: BARRIERS TO CHOICE FOR CHICAGO HOUSING CHOICE VOUCHER HOLDERS 9-10, (2002)).

⁷⁴ *Godinez v. Sullivan-Lackey*, 815 N.E.2d 822, 827 (Ill. App. Ct. 2004) (confirming that the Chicago fair housing ordinance against source-of-income discrimination encompasses protection for voucher users). Currently, there is no state law preventing landlords in Illinois from discriminating on the basis of source of income. A source-of-income bill has passed out of committee in the State House and Senate and, at the time of this writing, is awaiting a final vote on the floor. Eight other states and the District of Columbia have laws that protect people receiving rental subsidies from discrimination. A HUD study found that jurisdictions that prohibit source-of-income discrimination have a 12% higher placement rate for voucher users as compared with areas without protection. Furthermore, a

testing found that illegal discrimination nevertheless confines voucher holders to 30% of the available housing units that are within CHA rental payment guidelines.⁷⁵

Landlords who accept vouchers must pass HUD inspection standards and paperwork requirements.⁷⁶ They may wish to avoid the voucher program because of the perceived bureaucracy and unnecessary hassle that would accompany participation.⁷⁷

Landlords and rental agents also illegally stigmatize HOPE VI voucher holders because of their class.⁷⁸ Private landlords are skeptical about whether voucher users will be good tenants or will be able to pay their rent because of their economic status.⁷⁹ “They know you’re from the projects, and they think you’re bad,” said one public housing resident looking for a new apartment.⁸⁰ Landlords exclude families relocating from public housing with teenagers, particularly black men, because they fear such teenagers are a risk to the safety of their

1999 rental market analysis found that this protection would potentially make available 7000 additional apartments to voucher holders in the Chicago region. See NATIONAL CENTER ON POVERTY LAW, APPELLATE COURT UPHOLDS PROTECTION FOR CHICAGO’S VOUCHER HOLDERS (2004), <http://www.povertylaw.org/advocacy/housing/housing-articles/sept-2004-3-iwn>; BUSINESS AND PROFESSIONAL PEOPLE FOR THE PUBLIC INTEREST, ILLINOIS HUMAN RIGHTS ACT SOURCE OF INCOME AMENDMENT FACTS SHEET HB 4439 (2004), <http://www.bpichicago.org/rah/pubs/HB4439.pdf>.

⁷⁵ Sullivan, *supra* note 73, at 54.

⁷⁶ Pendall, *supra* note 68, at 885.

⁷⁷ *Id.*

⁷⁸ Though practically it is difficult to distinguish between racism and classism because race and income are highly correlated. Kristine L. Zeabart, Comment, *Requiring a True Choice in Housing Choice Voucher Programs*, 79 IND. L. J. 767, 790 (2004), at 787 (citing Peter H. Schuck, *Judging Remedies: Judicial Approaches to Housing Segregation*, 37 HARV. C.R.-C.L. REV. 289 (2002)); See NATIONAL LOW INCOME HOUSING COALITION, SCARCITY AND SUCCESS: PERSPECTIVES ON ASSISTED HOUSING, PART V: THE LOCAL PERSPECTIVE, <http://www.nlihc.org/pubs/scarcity/chap5.htm>. See *supra* note 74 for a discussion of laws that protect renters from discrimination based on source of income.

⁷⁹ *Id.*

⁸⁰ NATIONAL LOW INCOME HOUSING COALITION, *supra* note 78.

property.⁸¹ Once they agree to accept a tenant with vouchers, landlords may fear that the program will make it harder for them to evict voucher-using tenants or to screen out families that they do not want to accept.⁸²

Racial discrimination by landlords and rental agents creates another barrier to the limited supply of affordable private rental units. With or without vouchers, African American and Hispanic renters experience significant levels of discrimination in the housing market.⁸³ Discrimination is evident in many forms: the denial of available rental units, higher rents or security deposits for minorities, or segregation of African Americans, Latinos, or Asian Americans to certain parts of the building or complex.⁸⁴ Studies have found that white realtors in the Chicago metropolitan area have used twenty-six different methods to exclude African-Americans from white neighborhoods.⁸⁵

⁸¹ See Zeabart, *supra* note 78, at 786.

⁸² *Id.*

⁸³ In 2000, HUD did a paired-testing study to measure patterns of racial and ethnic discrimination in urban housing markets. The study found that in roughly one out of five visits to a real estate or rental agent, black and Hispanic customers were denied some of the information that comparable white customers received as a matter of course. See Margery Austin Turner & Stephen L. Ross, *How Racial Discrimination Affects the Search for Housing*, in *THE GEOGRAPHY OF OPPORTUNITY: RACE AND HOUSING CHOICE IN METROPOLITAN AMERICA* 81, 84-99 (Xavier de Souza Briggs ed., 2005). The 2005 Fair Housing Trends Report found that rental grievance represent the largest category of complaints of discrimination on the basis of race, disability, family status national origin. Sara Gebhardt, *Report Shows Discrimination in Rental Markets*, *THE WASHINGTON POST*, April 30, 2005, at T09.

⁸⁴ *Gebhardt, supra* note 83.

⁸⁵ Justin D. Cummins, *Recasting Fair Share: Effective Housing Law and Principled Social Policy*, 14 *L. & INEQUALITY: J. OF THEORY & PRAC.* 339, 357 (quoting DOUGLAS S. MASSEY & NANCY A. DENTON, *AMERICAN APARTHEID: SEGREGATION AND THE MAKING OF THE UNDERCLASS* 99-101, 104 (1993)). Cummins asserts that by obstructing the housing preferences of millions of renters, these informal discriminatory practices perpetuate the existence of segregated white neighborhoods. He cites econometric models that have found that if discrimination were to be eliminated, housing segregation would decrease by up to 50 percent. *Id.*

Fair Housing laws have not been sufficient in countering racial discrimination from landlords.⁸⁶ This is in part because many victims do not realize they have been victimized.⁸⁷ Also, many renters who believe they were discriminated against do not report it, because they do not think reporting would lead to any significant result.⁸⁸ Particularly in tight housing markets when landlords have their choice of many applicants, victims are less likely to complain because they know it would be difficult to prove discrimination.⁸⁹

Landlords' aversion to renting to voucher users is often intensified when demand for housing is strong.⁹⁰ Landlords find enough people to fill their units without having to accept vouchers.⁹¹ This is particularly true in more desirable neighborhoods.⁹² In contrast, landlords in less desirable neighborhoods are generally more willing to accept vouchers because it will

⁸⁶ Xavier De Souza Briggs, *Politics and Policy: Changing the Geography of Opportunity*, in THE GEOGRAPHY OF OPPORTUNITY: RACE AND HOUSING CHOICE IN METROPOLITAN AMERICA 310, 312 (Xavier de Souza Briggs ed., 2005).

⁸⁷ *Id.* at 313-4. Only about one percent of the two million acts of housing discrimination each year generated complaints during the 1980's. This can partly be attributed to more subtle methods of discrimination. Realtors can "editorialize" in such a way that encourages white homebuyers to choose areas with fewer poor or nonwhite households, yet avoids the danger of being caught for illegally discriminating. *See id.* at 313. A study found that almost 50% of American adults do not know that steering homebuyers to neighborhoods on the basis of race is illegal. MARGERY AUSTIN TURNER & CARLA HERBIG, URBAN INSTITUTE, CLOSING DOORS ON AMERICANS' HOUSING CHOICES (2005), <http://www.urban.org/urlprint.cfm?ID=9430>.

⁸⁸ Briggs, *supra* note 86, at 314.

⁸⁹ Gebhardt, *supra* note 81. The enforcement of antidiscrimination laws is a federal obligation, but it often depends on local action through government agencies, civic groups, fair housing advocates, realtors, and testers. Federal funding of enforcement has been meager and the effects on discrimination have been limited. Briggs, *supra* note 86, at 326.

⁹⁰ *See* Briggs, *supra* note 86, at 325.

⁹¹ *Id.*

⁹² *Id.*

guarantee a stream of renters.⁹³ Hence, voucher holders are more likely to be able to find a rental unit in an economically-disadvantaged area.⁹⁴

The unwillingness of landlords to rent to voucher holders is rooted in the inherent conflict between owners and renters in the housing market.⁹⁵ While owners and investors profit from increased housing prices, the renters benefit from lower prices.⁹⁶ Along with monetary interests that frequently do not coincide, there are attitudinal and cultural elements of exclusion that can further squeeze the housing supply or restrict voucher users' options to certain neighborhoods.⁹⁷

B. Racial Discrimination in the Community

Voucher users who relocate into predominantly white neighborhoods may face discrimination not only from landlords and rental agents, but also from neighbors. Chicago has a history of persistent and pervasive attempts to exclude and expel African-Americans from white neighborhoods.⁹⁸ White residents who “refuse to accept Blacks as neighbors” may use intimidation and violence to thwart minority access to housing in their neighborhood.⁹⁹

Suburban movers under the Gautreaux Program recalled incidents where white teenagers made

⁹³ Zeabart, *supra* note 78, at 790.

⁹⁴ *Id.*

⁹⁵ Briggs, *supra* note 86, at 325.

⁹⁶ *Id.*

⁹⁷ *Id.*

⁹⁸ See Cummins, *supra* note 85, at 356; Leonard S. Rubinowitz & Imani Perry, *Crimes Without Punishment: White Neighbors' Resistance to Black Entry*, 92 J. CRIM. L. & CRIMINOLOGY 335, 335-36 (2001-02) (reviewing STEPHEN GRANT MEYER, *AS LONG AS THEY DON'T MOVE NEXT DOOR: SEGREGATION AND RACIAL CONFLICT IN AMERICAN NEIGHBORHOODS* (2000)). Between 1917 and 1921, vigilantes in Chicago bombed fifty-eight African American homes. Cummins, *supra* note 85, at 356.

⁹⁹ Cummins *supra* note, at 336.

racial slurs and threw things at their car, or made violent threats against their children at school.¹⁰⁰ Families that are victims of these racial attacks do not feel comfortable in the suburbs.¹⁰¹ Residents who have not experienced racial hostility directly may also not feel at home in a particular neighborhood because they perceive they are unwelcome and fear for their family's safety.¹⁰²

C. Movers' Fear of Unknown Neighborhoods

Families fear not only potential racial hostility in unfamiliar neighborhoods, but also detachment from familiar surroundings and social networks.¹⁰³ The skills that public housing residents develop to cope with the pervasive crime and violence of their own neighborhood¹⁰⁴ may not help them in unfamiliar neighborhoods.¹⁰⁵ Unique Gibson, a public housing resident

¹⁰⁰ RUBINOWITZ & ROSENBAUM, *supra* note 6, at 96.

¹⁰¹ *Id.* at 99.

¹⁰² Zeabart, *supra* note 78, at 786; *see* RUBINOWITZ & ROSENBAUM, *supra* note 6, at 94-102 (describing further accounts of incidents of racially motivated threats and violence directed against suburban movers).

¹⁰³ RUBINOWITZ & ROSENBAUM, *supra* note 6, at 789. Although residents who prefer to stay in their original neighborhoods have that option under the Plan for Transformation, there is not a guarantee that this preference will be met. VENKATESH & CELIMLI, *supra* note 48, at 2. Residents who are able to return to the mixed-income developments in their original neighborhood are outside the scope of this comment, but when the residents are not able to return the difficulties that come with moving from one's familiar social networks and "comfort zone" are an important and relevant aspect of this comment's discussion about the transition from public housing to the private market.

¹⁰⁴ *See generally* Robin L. Jarrett and Stephanie M. Jefferson, *Women's Danger Management Strategies in Inner-City Housing Project*, 53 NAT'L COUNCIL ON FAM. REL. 138, 138-47 (2004). Through interviews with single mothers, the researchers explored the coping strategies that public housing women use in response to violence. The strategies were not found to reduce the prevalence of violence, but they were effective in keeping women and their children safe. *Id.*; *see* RUBINOWITZ & ROSENBAUM, *supra* note 6, at 83-92 (describing women's experiences with and responses to violence in public housing).

¹⁰⁵ *See* Brian J. Rogal & Beauty Turner, *Moving at Their Own Risk: The Redevelopment of Public Housing Creates New Dangers*, RESIDENTS' J., July-Aug. 2004, at 13-14 (reporting on a family who had moved out of the Robert Taylor homes to Englewood). At the Taylor homes, Kemp, the teenager of the family, "knew everyone – and how to avoid trouble." About nine months after they moved, Kemp was shot in the back as he was going to play basketball in the neighborhood. The family believes that he was killed because he was introduced into a neighborhood that was filled with unfamiliar gang members and rivalries. The mother said her child was more

on Chicago's Far South Side, said that many public housing residents "want to stay in the areas they know, that aren't far from their comfort zone. . . . They don't want to go where there is no one to catch them."¹⁰⁶

Unfamiliarity with new neighborhoods contributes to other common problems for relocated families, such as getting their kids into schools.¹⁰⁷ For example, many families who moved far away from the Robert Taylor homes kept their children in schools near Robert Taylor.¹⁰⁸ Former public housing residents also return to their old neighborhood for familiar community supports such as churches, hospital staff, and shopkeepers.¹⁰⁹ Social support in public housing might have included relationships with other single mothers who were willing to help with childcare.¹¹⁰

Detachment from familiar social networks not only cuts off direct sources of support, but also disturbs the psychological comfort of knowing that the support is there. The feeling of being stranded in an unfamiliar neighborhood can disrupt the success of a voucher user's transition into the private market.¹¹¹ The fear of unknown neighborhoods and resulting moves

protected in the projects. "There's too much freedom out here," she said. *Id.* A joint investigation between the *Residents' Journal* and the *Chicago Reporter* and the found several murders linked to disputes where young men in neighborhoods with established gang and drug networks were up against residents from public housing who were part of different drug networks. *Id.* The study found that, as of 2004, the murder rate in CHA developments has nearly doubled since 1999 - the year before the CHA launched its Plan for Transformation. *Id.*

¹⁰⁶ Kate N. Grossman, *More CHA Residents Are Moving Up; But 'Low Poverty' Relocations Have Pitfalls, Officials Say*, CHI. SUN TIMES, Mar. 20, 2005, at 15.

¹⁰⁷ Beauty Turner, *Study Finds Problems After Relocation*, RESIDENTS' J., Nov.-Dec. 2004, at 4 (referring to a report on the Robert Taylor homes from Beauty Turner and Sudhir Venkatesh).

¹⁰⁸ *Id.*

¹⁰⁹ VENKATESH AND CELIMLI, *supra* note 50, at 7.

¹¹⁰ Zeabart, *supra* note 78, at 784.

¹¹¹ Popkin et al., *supra* note 69, at 926.

to high-poverty neighborhoods arise in part from a lack of “meaningful, enthusiastic explanations given to the families about the availability and benefits of moves to opportunity areas.”¹¹²

D. Rushed Relocation and Voucher Users’ Lack of Information about the Private Market

Particularly with all the barriers described in the preceding sections, navigating and living in the private market can be daunting and discouraging without information about the market or assistance in the housing search process. Many voucher users who have lived in public housing all their lives are neither familiar with housing in other neighborhoods nor skilled in dealing with private landlords.¹¹³ Even if they succeed in finding a rental unit, voucher users must be able to afford a security deposit and deal with the ongoing challenges of keeping up with the rent and utility bills.¹¹⁴ Tenants also face the threat of eviction for behaviors that may have been tolerated by public housing property managers.¹¹⁵ For example, in public housing it is common for residents to allow relatives and friends to stay in their apartments for an extended period of time.¹¹⁶ Private landlords might evict tenants for this.¹¹⁷ Private landlords are also more likely to respond negatively to problems with housekeeping and noise.¹¹⁸

¹¹² Sullivan, *supra* note 73, at 38.

¹¹³ See Popkin et al., *supra* note 69, at 925 (reporting on a study of CHA residents who were Section 8 participants).

¹¹⁴ *Id.* at 925.

¹¹⁵ *Id.* at 925, 927. The authors discuss the ways in which private market landlords can be intolerant of certain behaviors that were unofficially permitted in public housing developments.

¹¹⁶ *Id.* at 925.

¹¹⁷ *Id.*

¹¹⁸ *Id.* at 934.

The pace with which public housing residents are forced to relocate contributes to the number of insufficiently informed movers. Particularly in the early years of public housing demolition under the Plan for Transformation as the residents rushed to relocate, some had difficulty navigating the process and left the CHA.¹¹⁹ An independent monitor of the Plan for Transformation has found improvements in the pacing of the relocation process with earlier preparation for relocation and the enlistment of more relocation counseling agencies in recent years.¹²⁰ But even with the added counselors, many residents feel rushed to accept low-quality units in high-poverty neighborhoods for fear that they will not be able to find a more acceptable rental in time.¹²¹ Many residents, with limited knowledge of Chicago's neighborhoods and suburbs, confine their search to the neighborhoods around their public housing development.¹²² According to the independent monitoring report, residents who sought more information from relocation counselors were often only shown a few potential units.¹²³ Some families were only shown units in segregated neighborhoods heavily populated by other voucher users because the counselors had close relationships with the landlords in these areas.¹²⁴ Because of the substandard units, many voucher users made multiple moves in the private market.¹²⁵

¹¹⁹ Lawrence, *supra* note 2, at 16 (quoting Katherine Walz, an attorney the Sargent Shriver National Center on Poverty Law). Though the services started out on shaky ground, the CHA's independent monitor, Thomas Sullivan, noted significant improvements in resources and counseling in a 2004 report. *Id.*

¹²⁰ *See* Sullivan, *supra* note 73, at 27.

¹²¹ *See id.* at 29-30.

¹²² *Id.*

¹²³ *Id.*

¹²⁴ *Id.*

¹²⁵ *Id.* at 30.

E. Low Quality of Private Rental Units

The fast pace of the relocation process was also partly responsible for the low quality of the voucher users' units.¹²⁶ Under the Housing Choice Voucher program, private units must meet federal Housing Quality Standards before rent assistance can be paid on behalf of the tenants.¹²⁷ Because so many public housing residences were demolished within a short period of time in 2002, housing quality inspections were rushed and not done with proper care.¹²⁸ The independent monitor found that many of the voucher units did not meet Housing Quality Standards in 2002.¹²⁹ With the slower pace of the relocation process in subsequent years, the quality of units has improved.¹³⁰ Nevertheless, as of the 2004 CHA independent monitor report, counselors continued to refer movers to landlords who provide substandard units.¹³¹

F. Hard-to-House Households

Those households that researchers define as "hard-to-house" feel the private market difficulties described above even more acutely. Hard-to-house households have characteristics beyond just low economic status that make relocating nearly impossible or the risk of losing their current unit especially high.¹³² Hard-to-house households may have members who are disabled,

¹²⁶ *Id.*

¹²⁷ DEPT. OF HOUS. AND URBAN DEV., HOUSING CHOICE VOUCHER PROGRAM GUIDEBOOK 10-11, *available at* http://www.hudclips.org/sub_nonhud/html/pdfforms/7420g10.pdf.

¹²⁸ Sullivan, *supra* note 73, at 30.

¹²⁹ *Id.*

¹³⁰ *Id.*

¹³¹ *See id.* at 35.

¹³² Susan Popkin et al., Urban Institute, *Public Housing Transformation and the Hard-to-House*, 16 HOUSING POL'Y DEBATE 5 (2005).

elderly, unemployed, or have a substance abuse problem.¹³³ Large families and families where grandparents are caring for grandchildren also fit into this category.¹³⁴ In assessing the size of the hard-to-house population, researchers found that some public housing sites, such as Ida B. Wells in Chicago, had up to one-third of its residents falling into one or more of the defined characteristics of the hard-to-house.¹³⁵

Researchers argue that many of the strategies of HOPE VI and the Plan for Transformation that are meant to further the objectives of self-sufficiency, employment, and poverty deconcentration do not properly address the needs of the hard-to-house.¹³⁶ Special challenges make finding housing with a voucher unlikely for hard-to-house families.

V. Comparing the Gautreaux Program

Researchers studying the Gautreaux Program recognized that the positive outcomes revealed by their research do not necessarily translate into assured success for people moving under other housing mobility programs. The families under the Gautreaux Program had chosen to move

¹³³ See MARY K. CUNNINGHAM ET AL., URBAN INSTITUTE, PUBLIC HOUSING TRANSFORMATION AND THE “HARD TO HOUSE” (2005), available at http://www.urban.org/UploadedPDF/311178_Roof_9.pdf (discussion of how public housing transformation under HOPE VI has largely failed to meet the needs of “hard to house” residents that do not easily fit into the relocation options for HOPE VI households, particularly mixed-income public housing developments and using vouchers in the private market).

¹³⁴ *Id.*

¹³⁵ Popkin et al., *supra* note 132, at 9. The researchers defined the characteristics of the hard-to-house to include multiple-barrier households (households who are long-term public housing residents who are unemployed but of working age, do not have a high school diploma, and may also have a drug or alcohol problem, a mental health problem, or a criminal record), households including members with disabilities, elderly households, grandfamilies, large households, and households with one-strike problems. *Id.* at 6-7. Another estimation of the hard-to-house population done one year later found that 72% of the residents at this site could be defined as hard-to-house. *Id.* at 11. This increase can in part be attributed to the relocation that had progressed over the year. *Id.* Residents who had remained in public housing were likely those who were difficult to relocate or had chosen to stay. *Id.*

¹³⁶ *Id.* at 13-14.

even though they had the option of staying in their current unit.¹³⁷ Furthermore, the scale of the Gautreaux Program was smaller than the Plan for Transformation, serving 7100 residents over about two decades.¹³⁸

Unlike CHA voucher users, participants in the Gautreaux Program were self-selected and were subject to selection criteria.¹³⁹ The residents with vouchers under the Plan for Transformation have not only been forced out of their housing, but they are also some of the neediest in public housing.¹⁴⁰

The selection criteria¹⁴¹ of Gautreaux were used to ensure that private sector parties would participate and would not be worse off for it.¹⁴² This was significant in gaining landlord support. Neighbors were also more welcoming of residents with reputations of being well-behaved community members.¹⁴³ Thus, the selectivity ensured the benefit of not only accepting landlords, but also welcoming neighbors for Gautreaux movers.¹⁴⁴

¹³⁷ *Id.*

¹³⁸ *Id.* at 188.

¹³⁹ *See* RUBINOWITZ & ROSENBAUM, *supra* note 6, at 53-57, 60.

¹⁴⁰ As repeated throughout this comment, there are other options for the families such as moving back to the original site. However, the term “forced” is appropriate because of the delay between evacuation and redevelopment and the strict screening criteria imposed on mixed-income development tenants.

¹⁴¹ The Gautreaux Program used selection criteria, but was not highly exclusive. *See* Shazia Raifullah Miller & James E. Rosenbaum, *Certifications and Warranties: Keys to Effective Residential Mobility Programs*, 27 SETON HALL L. REV. 1426, 1436 (1997). The program took about two-thirds of the applicants. *Id.* However, this acceptance-rate was from a pool of residents who had self-selected to participate. *See* RUBINOWITZ & ROSENBAUM, *supra* note 6, at 6.

¹⁴² Miller & Rosenbaum, *supra* note 141, at 1436.

¹⁴³ *Id.*

¹⁴⁴ *Id.*

Researchers argue that in spite of the unfortunate exclusion of the most needy, who cannot meet the criteria, selection criteria ensure that mobility programs are beneficial for the movers, the private market actors, and the housing authority.¹⁴⁵ This frees up other funding for programs that involve only the public housing residents and the housing authority, not the private market. Such bilateral programs could help the most needy residents living in public housing without the constraints that accompany the involvement of the private sector.¹⁴⁶ Under this argument, selectivity is used as a guarantee of tenants' qualities that can help to pool the support of the private sector.¹⁴⁷ Without this guarantee, the private sector's involvement is less practicable because of market constraints.

Similarly, selectivity can be used to limit the demand in a tight housing market. In addition to keeping up the standards, selectivity keeps down the number of participants. This leads to another distinguishing factor of Gautreaux - its scale.¹⁴⁸ The pool of potential tenants in Gautreaux was small in comparison to the Plan for Transformation, under which thousands of

¹⁴⁵ *Id.* at 1437-38.

¹⁴⁶ *Id.* Though this theory evokes the question of whether public housing can better serve the neediest without involvement of the private, this is not the path taken under HOPE VI and therefore it is outside of the narrow scope of this comment. Nonetheless, there are many reasons to think that a bilateral program between the PHA and the residents might be the most beneficial housing for the neediest families. *See generally id.* (arguing that there are certain conditions that must be met for mobility programs to be effective and certification of quality of the clients is one of them).

¹⁴⁷ *Id.*

¹⁴⁸ The Gautreaux Program moved approximately 6000 families in over two decades. The Plan for Transformation will have displaced 25,000 over ten years. *See* PLAN FOR TRANSFORMATION, *supra* note 42. Researchers roughly estimate that only 20% of these families will return to public housing. VENKATESH & CELIMLI, *supra* note 48, at 2. Not all of the remaining 80% will use vouchers, but even if just half of them did this would greatly exceed the movers per year in Gautreaux. Also, Gautreaux was relatively well spaced out over two decades, under the Plan for Transformation, many of the units were demolished within a short period of time, so a large percentage of the movers were looking for housing at the same time. *See id.*; *see generally* RUBINOWITZ & ROSENBAUM, *supra* note 6.

residents relocated from high rises in a relatively short period of time.¹⁴⁹ Other public housing in Chicago is not able to accommodate all of these relocatees, and the lack of affordable housing limits availability in the private market. Thus, selection criteria, formally implemented for admission to public housing units and imposed at the discretion of landlords in the private market, can significantly curtail the amount of people who have access to the short supply of affordable housing.

Unlike in Gautreaux, everyone under the Plan for Transformation must relocate, and the private market landlords are doing most of the selecting. The Plan for Transformation must compensate for how it is different from the Gautreaux Program in scale and tenant characteristics so that CHA residents may realize some of the benefits of greater opportunity that are reflected in the Gautreaux Program. Under the Plan for Transformation, moving toward greater opportunity will require more comprehensive assistance in relocation and supportive services on a metropolitan-wide scale that will encompass all public housing relocatees, whether they live in the city or the suburbs.

VI. More Comprehensive Services Could Lead to More Favorable Private Market

Transitions and Self-Sufficiency for Voucher Users

There were encouraging levels of satisfaction for the assisted movers under Gautreaux and MTO, but the transitions did not come without difficulties for the movers. As noted above, the Plan for Transformation is of a much larger scale and many of its movers' original household

¹⁴⁹ See *supra* note 148 and accompanying text for a comparison of the numbers of people moving. The demand under the Gautreaux Program was also affected by the program structure. See RUBINOWITZ & ROSENBAUM, *supra* note 6, at 180. Unlike the CHA Section 8 program at that time, the Gautreaux Program had locational restrictions, which specified that at least 75% of families must locate in the suburbs. See *id.* at 40, 44, 180. Having more and different locational restrictions can decrease demand. See *id.* at 180.

circumstances were more distressed than those of movers in these past programs. Exclusionary and discriminatory practices from landlords and communities, a tight rental market, and the movers' lack of information can create extreme hardship in the transition from public housing into the private market. The Plan for Transformation must recognize and address these hardships or it will leave the neediest families without the assistance they sorely need.

Many movers under HOPE VI have a demonstrated need for assistance, but little research exists as to what types of services would be effective in helping them with their transition.¹⁵⁰ Results of the Moving to Opportunity experiment¹⁵¹ and other data suggest that relocation counseling can have measurable benefits for voucher users.¹⁵² The relocation assistance that is currently available has not succeeded in finding enough CHA residents housing of satisfactory quality in low-poverty neighborhoods.¹⁵³ Moreover, many families leaving public housing units are in need of assistance beyond just relocation services.

¹⁵⁰ MARY K. CUNNINGHAM & NOAH SAWYER, THE URBAN INSTITUTE, MOVING TO BETTER NEIGHBORHOODS WITH MOBILITY COUNSELING (2005), available at http://www.urban.org/UploadedPDF/311146_Roof_8.pdf.

¹⁵¹ Goering, *supra* note 20, at 141.

¹⁵² Research has shown that families with vouchers are 52% more likely to move to low-poverty neighborhoods if they receive housing search assistance. THE URBAN INSTITUTE, LOW-INCOME FAMILIES ARE MOVING TO BETTER NEIGHBORHOODS WITH HELP FROM CHICAGO'S HOUSING MOBILITY PROGRAM (2005), available at <http://www.urban.org/publications/900789.html>. The Urban Institute looked at data on voucher users under the Housing Opportunity Program (HOP) in Chicago. HOP was created by CHAC, Inc. to offer services to voucher users who are interested in moving to an opportunity neighborhood (where less than 23.49% of residents live below the poverty level). *Id.* The services include "housing search counseling and unit referrals, free credit reports and budget counseling, transportation to view units in opportunity neighborhoods, expedited HUD Quality Standards inspections, workshops on landlord-tenant law, and post-move support and house visits." *Id.* The program also offers access to a security deposit loan fund to assist households with the up-front costs of security deposits. CUNNINGHAM & SAWYER, *supra* note 150. The data on the movers under HOP was encouraging because it resulted in "the first empirical evidence that mobility programs can successfully help families with housing vouchers move to better neighborhoods." *Id.* However, the share of households that receive mobility assistance and move to opportunity neighborhoods is only about 6% higher than those receive assistance and move to high-poverty neighborhoods. *Id.* The researchers conclude that if the program targeted economically stable households, it might have higher success rates in moving families to opportunity neighborhoods. *Id.* It remains unclear how effective housing assistance can be for more vulnerable families or families under greater economic hardship. *Id.*

¹⁵³ See *supra* note 131 and accompanying note.

The CHA attempts to meet its objective of self-sufficiency for its residents through services such as employment assistance, self-help workshops, substance abuse counseling, and guidance in remaining lease compliant.¹⁵⁴ HUD has admitted that the effort to build self-sufficiency is one of the most problematic pieces of HOPE VI programs.¹⁵⁵

Self-sufficiency programs have difficulty retaining their participants through to completion.¹⁵⁶ The CHA has been criticized for its failure to address this problem through adequate follow-up services for families that have dispersed from public housing units.¹⁵⁷ Many voucher users would benefit greatly from continued communication and support from the CHA upon, and well after, dispersion into the private market.

Whether a family returns to the revitalized mixed-income site or moves into the private market, by giving families rental assistance that will replace their public housing units the CHA appears to make an implicit promise that the family will receive the resources needed to

¹⁵⁴ CHI. HOUS. AUTH., PLAN FOR TRANSFORMATION/PLAN SUMMARY, http://www.thecha.org/transformplan/plan_summary.html (last visited Nov. 1, 2005)[hereinafter PLAN SUMMARY]; CHI. HOUS. AUTH., APPLYING FOR HOUSING/SECTION 8, <http://www.thecha.org/applyforhousing/section8.html> (last visited Nov. 3, 2005); CHI. HOUS. AUTH., *Connecting Families to Expanded Housing Options in FY 2006 Moving To Work Annual Plan*, PLAN FOR TRANSFORMATION YEAR SEVEN 49, 54 (2005), http://thecha.org/transformplan/files/fy2006_chapter2.pdf.

¹⁵⁵ Harry J. Wexler, *HOPE VI: Market Means/Public Ends – The Goals, Strategies, and Midterm Lesson of HUD's Urban Revitalization Demonstration Program*, J. AFFORDABLE HOUSING & COMMUNITY DEV. L. 195, 210 (2001) (citing HUD response to criticisms leveled in Southwest District Inspector General's Nationwide Review).

¹⁵⁶ See William M. Rohe & Rachel Garshick Kleit, *From Dependency to Self-Sufficiency: An Appraisal of the Gateway Transitional Families Program*, 8 HOUSING POL'Y DEBATE 75, 84 (1997). The authors evaluated the impact of the Gateway Program, a self-sufficiency program that provided services and training to help public housing residents become socially and economically self-sufficient. The program had an emphasis on homeownership. *Id.* at 78. The program had a graduation rate of 32% and a withdrawal rate of 63%. *Id.* at 84. The reasons that participants dropped out included: noncompliance with program or public housing regulations, lack of a living wage, impatience with the length of the program, an early program emphasis on nontraditional occupations, difficulty in juggling family and school responsibilities, and staff shortages and turnover. *Id.* The high dropout rate aside, 93% of those that did graduate had full-time employment, an increase of sixty-six percentage points from the start of the program. *Id.* at 101. The increases in employment and income for the group that graduated were larger than the increases among the comparison group, which did not take part in the program. *Id.* This was the first evaluation of a public housing self-sufficiency program that used a comparison group to isolate program impacts.

¹⁵⁷ Lawrence, *supra* note 2, at 16.

participate in society.¹⁵⁸ In reality, these resources would entail much more than a voucher. “Sink or swim” may be hyperbolic, but hints of it are insidious in the CHA’s self-sufficiency rhetoric, and even more evident in its implementation.

Principles of self-sufficiency and mobility have driven the demolition of 20,000 public housing units in Chicago.¹⁵⁹ Private market factors such as limited affordable housing availability and selective landlords shift the role of self-sufficiency from a goal that the CHA intends to help residents work toward, to a status that must be reached before residents are able to find decent housing. Self-sufficiency ultimately means that the resident has no assistance, including rental subsidies. Under the Plan for Transformation, successful transitions into the private market seem to require something very close to self-sufficiency. Residents need to be able to thrive in the rental market with little assistance other than a voucher.

Self-sufficiency is the outcome at the other end of a trajectory that begins with what William Julius Wilson¹⁶⁰ deems the “underclass culture.”¹⁶¹ This is the culture that breeds in isolated concentrations of very-low income households and severely stifles efforts to become self-sufficient.¹⁶² Scholars seem to agree that some form of assistance is needed to give public housing residents opportunities that will break their dependence on this culture.¹⁶³ Researchers

¹⁵⁸ Kristin D.A. Carpenter, *Promise Enforcement in Public Housing: Lessons from Rousseau and Hundertwasser*, 76 TUL. L. REV. 1073, 1136 (2002).

¹⁵⁹ See generally PLAN FOR TRANSFORMATION, *supra* note 42.

¹⁶⁰ William Julius Wilson is a sociologist and author of THE TRULY DISADVANTAGED, among other books. In this book Wilson argues that, more so than racism or welfare, the declining economy is the cause of the declining underclass. WILLIAM JULIUS WILSON, THE TRULY DISADVANTAGED 149-59(1987).

¹⁶¹ See Popkin et al., *supra* note 69, at 928 (quoting WILSON, *supra* note 159). William Julius Wilson describes the “underclass culture” as the isolated concentrations of very-low income households that have high rates of unemployment, welfare reciprocity, teen pregnancy, single mothers, crime, and substance abuse problems. *Id.*

¹⁶² *Id.*

¹⁶³ *Id.*

often cite moving into better neighborhoods as one of the most effective routes to better opportunities for public housing residents.¹⁶⁴

Deconcentration of high-poverty distressed communities, as a means to better opportunity for its residents, is in essence a theory that HOPE VI adopted. Likewise, through its Plan for Transformation, the CHA seeks to use better neighborhoods to steer residents toward self-sufficiency. Leaving public housing with a voucher for use in the private market could be one step toward reaching this goal. Assistance with the other steps toward self-sufficiency are supposed to come in part from CHA services and programs, but also, as the underlying mobility theory suggests, from the neighborhood itself.¹⁶⁵ Access to opportunity in the neighborhood can take many forms including better schools, safer neighborhoods, and better role models.¹⁶⁶ A better neighborhood, in combination with a voucher and relocation and supportive services, is intended to guide the relocatee from dependency in distressed public housing to self-sufficiency in private housing.

Because the better the neighborhood is, the more rigorous are the demands that need to be met to find housing there,¹⁶⁷ it generally follows that the further a family is from self-

¹⁶⁴ *Id.*; see generally James E. Rosenbaum, *Changing the Geography of Opportunity by Expanding Residential Choice: Lessons from the Gautreaux Program*, 6 HOUSING POL'Y DEBATE 231, 231 (1995) (describing how the Gautreaux program illustrated "the geography of opportunity," which suggests that where individuals live affects their opportunities).

¹⁶⁵ *Id.* Researchers have found that locations in better neighborhoods can lead to better employment and education outcomes. See *id.*; RUBINOWITZ & ROSENBAUM, *supra* note 6, at 166-71. However, "the mechanisms that bring about these effects are still poorly understood." Popkin et al., *supra* note 69, at 112.

¹⁶⁶ These are the examples often used by scholars in support of this theory about better neighborhoods. *Id.* In reference to role models, there has been little evidence to support the idea that exposure to higher-income residents have any effect on employment or education outcomes. *Id.*

¹⁶⁷ See *id.* at 1490-91.

sufficiency, the worse their neighborhood outcome.¹⁶⁸ For many public housing families, the housing search is a problem on top of many underlying problems including unemployment, lack of education, substance abuse, domestic abuse, and mental illness.¹⁶⁹ Rather than accepting the demands of the private market as incentives or necessary conditions of the voucher program, the CHA needs to help its residents tackle the barriers to adequate housing through better support in relocation, employment, education, and living in the private market. This support would guide residents toward the self-sufficiency that is often a prerequisite to attaining and retaining adequate housing in low poverty neighborhoods. Hence, if former public housing residents do not have the support they need to attain the level of self-sufficiency demanded of them by the market, the better neighborhoods that are intended to provide their push to ultimate self-sufficiency will also be out of reach.

VII. Recommendations for Addressing the Problems of Voucher Users under the Plan for Transformation¹⁷⁰

¹⁶⁸ See CUNNINGHAM & SAWYER, *supra* note 150 (finding that higher-income, wage-earning households are more likely to move to opportunity households and vulnerable households are less likely to move to opportunity neighborhoods); PAUL FISCHER, WHERE ARE THE PUBLIC HOUSING FAMILIES GOING? AN UPDATE (2003) (unpublished manuscript, on file with author). Fischer analyzed data on more than 3200 CHA families who were forced to relocate with Housing Choice Vouchers between 1995 and 2002. *Id.* If one considers all CHA residents who are not able to move back into public housing, this spectrum of families must also encompass those who do not succeed in finding housing in the private market at all and become homeless or disappear from the CHA records. Inner Voice, a nonprofit social service agency that oversees twenty-eight shelters in Chicago, found that hundreds of families had come to the shelters from the CHA between October 2002 and September 2003. Angela Caputo, *Forgotten People*, CHI. REP., Mar. 2004, available at <http://chicagoreporter.com/2004/3-2004/homeless/homelessprint.htm>. Many homeless providers have claimed a significant increase in homelessness since the demolition of CHA buildings, but there have not been formal studies to prove the source of the influx. *Id.* The connection is plausible, particularly given that since implementation of the Plan for Transformation the CHA has disclaimed the role of being “the housing of the last resort.” *Id.* (quoting Brady Harden, the president of Inner Voice).

¹⁶⁹ See generally Cunningham et al., *supra* note 133.

¹⁷⁰ Because this comment is limited to voucher users under the Plan for Transformation, the recommendations for what to do next will come from within the voucher program and will apply to the current status of the Plan for Transformation and its voucher-using participants. Retrospection to pre-demolition could elicit many additional

The first step in better preparing residents for the private market is to slow down the transition process to a pace where residents will not be forced into the private market until they are better informed about their choices, the market, and living in private housing. Even if a gradual transition from public housing into the private market is no longer possible for CHA residents who have already relocated,¹⁷¹ easing up on the premature push toward self-sufficiency is still possible. On-site intensive services are valuable prior to dispersal into the private market,¹⁷² but these services can still be provided within the private market communities of reconcentrated voucher users. Tracking is essential to this approach. The residents should not have the sense that they have gone off the radar and are left solely to their own devices. Geographical dispersion of its residents does not mean that the continued support of the CHA is impractical. Facilitation of valuable linkages with services in residents' new communities can in part compensate for the loss of on-site services. So long as the communication and support of the CHA remains strong, service provision may even gain greater effectiveness from residents' new private housing environments. That is, the programs and training can directly assist and work in conjunction with their duties as private leaseholders, such as paying rent and utilities.

Programs that were effective for public housing residents on-site can continue to benefit relocated residents if the programs adjust for the residents' new locations and living circumstances. Supportive services provided on the site of public housing developments, such as

recommendations, including earlier preparation for the move and more gradual transitions for those most in need. Nevertheless, the recommendations here will only address the current reality, which is that screening and the need to compete in the private market are forcing many public housing residents into high-poverty neighborhoods or out of assisted housing altogether. Popkin et al., *supra* note 69, at 937.

¹⁷¹ For troubled public housing residents, particularly young mothers, researchers recommend a program that involves incremental changes and supportive housing, where intensive services are offered on-site. *Id.* at 938.

¹⁷² *Id.*

employment assistance programs, have had encouraging outcomes.¹⁷³ However, the subsequent HOPE VI resident relocation process put the programs' effectiveness at risk.¹⁷⁴ A main element of one such on-site employment assistance program was "community support for work."¹⁷⁵ Under this objective, the program sought to "strengthen social ties and activities among residents to support their job preparation and work efforts."¹⁷⁶ Rather than fostering community support within the public housing development, programs could refocus to build social ties in residents' new neighborhoods. As most residents are moving to communities with at least somewhat lower poverty rates than their original site,¹⁷⁷ social networks in residents' new communities may have even greater potential for employment opportunity than the public housing networks fostered by on-site programs.

Mobility and its benefits will not be accessible until the CHA helps the families address these underlying problems, particularly for the hard-to-house. The CHA already provides relocation assistance and counseling,¹⁷⁸ but this support needs to go further. While on-site programs would be impractical for relocated residents to regularly take part in, continued support for

¹⁷³ For example, an employment assistance program implemented at a Seattle public housing development was successful in increasing employment retention, hours worked, and job quality for its residents. NANDITA VERMA ET AL., MDRC, RAISING HOPE WITH JOBS-PLUS: PROMOTING WORK IN SEATTLE PUBLIC HOUSING DURING A HOPE VI REDEVELOPMENT iii (2005), *available at* <http://www.mdrc.org/publications/416/full.pdf>.

¹⁷⁴ *Id.*

¹⁷⁵ *Id.* at 3.

¹⁷⁶ *Id.*

¹⁷⁷ *See supra* note 38 and accompanying text.

¹⁷⁸ *See* CHI. HOUS. AUTH., RELOCATION/OVERVIEW, <http://www.thecha.org/partners/relocation/overview.html> (last visited Nov. 1, 2005) (reviewing the six basic steps of the relocation process and the services that accompany it). Included in the services that CHA provides are relocation counseling, budgeting and crediting counseling, Good Neighbor workshops (training in good tenant behavior), and the Service Connector for the residents of public housing who need assistance in becoming lease compliant (meet the criteria of the public housing development). *See id.*; Popkin & Cunningham, *supra* note 3, at 184.

voucher-using residents is feasible through strong linkages with supportive services in residents' new communities.

The CHA encourages moves into private housing, but private rentals, particularly when they are in high-poverty neighborhoods, only serve to replace the physical public housing units. All the other supportive services must continue. Moreover, now that families are facing new challenges in the unfamiliar private market, many of them will need even more intensive support than they were receiving in public housing. For example, mothers who have been detached from the support of other public housing residents who helped in childcare need to be linked to other sources of childcare. Support can come not only from childcare programs, but also from linkages with other mothers and caretakers in the community. As in the example of employment programs, the CHA could compensate for the loss of public housing social networks by facilitating access to social support in residents' new communities.

No matter what level of assistance a family needs, the CHA, the families, and the private sector are all involved to some degree. To ensure that residents are never a neglected party, the interplay between these three parties must be carefully considered according to each family's needs.¹⁷⁹

Families that are not as desirable to private landlords may need the CHA to play a greater role in relocation support. This role may entail informing movers about the search process,

¹⁷⁹ For example, families who are of the income and employment level that they are able to find and retain housing in opportunity neighborhoods may benefit from the Housing Opportunity Program (HOP), which places families in neighborhoods where less than 24% of the population has income below the poverty line. CHAC, INC., CHAC EXPLORE YOUR OPTIONS: THE HOUSING OPPORTUNITY PROGRAM, www.chacinc.com/mobility-program.asp (last visited Nov. 1, 2005). Often, people moving to opportunity neighborhoods are in need of extensive assistance because the screening in the private market is so strict. The extensive assistance in the HOP program is primarily in the form of relocation services with follow-up. Other families may not be ready for moves to opportunity neighborhoods, but may be in greater need of other forms of assistance beyond relocation services.

giving landlords incentives to rent to them and assurance that they will benefit from accepting them as tenants, and encouraging support in the community for new residents.

The CHA has left many voucher users to assume responsibility for meeting the demands of the private market. In effect, the families have had to quickly adapt from a bilateral relationship with the CHA while in public housing, to a bilateral relationship with the private market after relocation. The CHA needs to take a more proactive role in supporting the vulnerable families that they have displaced. If the success of a mobility program depends on residents reaching the standards that are set by the private market, the CHA cannot back out until it has helped its residents reach those standards.

VII. Conclusion

The theory behind mobility programs is that better neighborhoods will provide residents with access to opportunity and support. Ideally, not only will families no longer be dependent on the housing authority for supportive services, they will eventually not be in need of any form of assistance. Families that relocate under the Plan for Transformation are not receiving all the potential benefits of poverty deconcentration if they are living in distressed neighborhoods. At the same time, they are losing the support of the CHA. Consequently, the neediest families in public housing may be getting the least amount of assistance. For these families, the CHA must assume a more dominant role than that of the private market. The CHA recognizes that the closer a family is to self-sufficiency, the easier they will be able to find a private rental unit. For families far from self-sufficiency, intensive supportive services are essential, or else the relocation services are futile.

According to HUD, HOPE VI draws upon “the untapped reservoirs of economic power, human capital, historic value, and cultural vitality that even the poorest neighborhoods possess.”¹⁸⁰ Chicago has been the biggest beneficiary of federal HOPE VI funding,¹⁸¹ but its Plan for Transformation has yet to successfully tap into the reservoirs described in the HOPE VI rhetoric. The CHA has to take a more active role for this rhetoric to become reality. Metaphor aside, what this means is that the CHA cannot neglect relocated public housing residents, just because they have moved to the private market. In the private market, they may need attention more than they ever did before.

¹⁸⁰ HOPE VI: BUILDING COMMUNITIES, *supra* note 37, at 5.

¹⁸¹ Popkin & Cunningham, *supra* note 3, at 178.